ATTACHMENT I

Statutory Citations Relating to Repeal of 19 TAC Chapter 61, School Districts, Subchapter AA, Commissioner's Rules on School Finance, §61.1014, Determination of Foundation School Program Gains, and New 19 TAC §61.1014, Additional State Aid for School Employee Benefits

Texas Education Code (TEC), Chapter 42, Foundation School Program, Subchapter E, Financing the Program.

TEC, §42.2514. Additional State Aid for School Employee Benefits.

(a) In this section, "participating charter school" means an open-enrollment charter school that participates in the uniform group coverage program established under Article 3.50-7, Insurance Code.

(b) For each school year, a school district, including a school district that is otherwise ineligible for state aid under this chapter, or a participating charter school is entitled to state aid in an amount, as determined by the commissioner, equal to the difference, if any, between:

(1) the amount determined by multiplying the amount of $900 or the amount specified in the General Appropriations Act for that year for purposes of the state contribution under Section 9, Article 3.50-7, Insurance Code, by the number of district or school employees who participate in a group health coverage plan provided by or through the district or school; and

(2) an amount equal to 75 percent of the amount of:

(A) additional funds to which the district or school is entitled due to the increase made by H.B. No. 3343, Acts of the 77th Legislature, Regular Session, 2001, to:

(i) the equalized wealth level under Section 41.002; and

(ii) the guaranteed level of state and local funds per weighted student per cent of tax effort under Section 42.302; or

(B) additional state aid to which the district is entitled under Section 42.2513.

(c) A school district or participating charter school may use state aid received under this section only to pay contributions under a group health coverage plan for district or school employees.

(d) A determination by the commissioner under this section is final and may not be appealed.

(e) The commissioner may adopt rules to implement this section.

TEC, §42.260. Use of Certain Funds.

(a) In this section, "participating charter school" has the meaning assigned by Section 42.2514.

(b) For each year, the commissioner shall certify to each school district or participating charter school the amount of:

(1) additional funds to which the district or school is entitled due to the increase made by H.B. No. 3343, Acts of the 77th Legislature, Regular Session, 2001, to:

(A) the equalized wealth level under Section 41.002; or

(B) the guaranteed level of state and local funds per weighted student per cent of tax effort under Section 42.302; or

(2) additional state aid to which the district or school is entitled under Section 42.2513.

(c) Notwithstanding any other provision of this code, a school district or participating charter school may use the following amount of funds only to pay contributions under a group health coverage plan for district or school employees:

(1) an amount equal to 75 percent of the amount certified for the district or school under Subsection (b); or

(2) if the following amount is less than the amount specified by Subdivision (1), the sum of:

(A) the amount determined by multiplying the amount of $900 or the amount specified in the General Appropriations Act for that year for purposes of the state contribution under Section 9, Article 3.50-7, Insurance Code, by the number of district or school employees who participate in a group health coverage plan provided by or through the district or school; and

(B) the difference between the amount necessary for the district or school to comply with Section 3, Article 3.50-9, Insurance Code, for the school year and the amount the district or school is required to use to provide health coverage under Section 2 of that article for that year.

(d) A determination by the commissioner under this section is final and may not be appealed.

(e) The commissioner may adopt rules to implement this section.